

# REAL SECRET OF GAS WORKS EVILS

City's Failure to Provide Necessary Funds for Development of the Plant.

RECOMMENDATIONS IGNORED

Efforts of Superintendent to Secure Needed Improvements Rarely Successful.

While the Richmond public continues to look forth for relief from the trouble of gas, the city's failure to provide necessary funds for development of the plant, it is more and more the disposition of those in close touch with the situation to go beyond the appearance that have called forth the criticism, and to seek out the real and original source of the difficulties that have engendered the evils.

The inquiry that has produced the Bruce report and that will within the next two or three weeks bring forth a series of recommendations from the Committee on Investigation itself, was begun by the City Council, and the result thus far has been simply an indication of the fact that the city's policy of economy amounting practically to neglect, in its report the expert, while he distinctly declared the management of the works to be thoroughly conscientious and to have served the city to the best of its ability, pointed out what he conceived to be a series of serious defects and strange lapses of common business judgment. This criticism the management denies, and expresses its ability to disprove and while its reply is being prepared, the public, in simple fairness, has suspended judgment until the "other side" can be heard. But admitting all that the expert said upon this feature, it is recalled that faults of management are incidental to the operation of any plant, municipal or otherwise, that may be speedily remedied by a change of management. What is more serious as striking to the root is the condition of the system itself, under which no managers, good or bad, could operate with any great degree of freedom or satisfaction. And here is the crux and at this point it is that the Council itself enters for its share of blame, which happens to be the major part.

**Its Up to the Council.**

It is stated in the Bruce report, and the statement is made the basis for a series of recommendations, that the policy of the city government has been at fault, and that the gas works have not kept pace with the growing demands of the city. It is stated with impressive similarity in every report of the management of the works for the past half-dozen years or more that the needs of the people of Richmond cannot be met with the facilities now provided. Upon this cardinal point expert and management are in perfect accord. What Bruce, the expert, recommends in 1905, Knowles, the superintendent of the works, has been asking almost since he entered the plant in 1896. The expert in effect says that the superintendent has not even done the best he could under the circumstances. This the superintendent denies and declares he will prove to be false with facts and figures he is now getting together. But both are agreed that sufficient provision has not been made, and that the City Council's refusal from time to time to improve what was in reality a paying interest and might have been made more so, was unwise and scarcely good business. This the superintendent has mildly but persistently set forth in his recommendations; and this is the very thing that the expert now declares with bluntness in an independent position will permit him to use. The Council has ignored, or at least failed to realize, the significance of facts, and the Council is now facing a municipal problem of its own creation. The expert, who is chairman of the Light Committee himself, thinks and his opinion is shared by the majority of the public. The nature of the management of Mr. Knowles under this safe system, with its limitations, is a major matter, which the superintendent will answer for himself at the proper time.

**Comparison of Reports.**

An examination of the reports of Mr. Knowles for several years back produces some interesting results. It is found that the recommendations of Mr. Bruce are along the same general lines of those of the superintendent. Mr. Knowles does not go so far in some respects; does not ask such sweeping reforms as Mr. Bruce, which, considering the labor the Council passed through before granting anything at all simply strikes one as a wise precaution on the part of the superintendent. For instance, Mr. Bruce asks that fifteen miles of six and eight-inch mains be replaced by the present three-inch pipes. Had the superintendent made such a demand as this he would in all likelihood have been met with a blank stare of amazement. What he did was to ask for it year by year, a little at a time, and sometimes, it seems, he got it, and sometimes he did not. In 1903 two of seven recommendations made by Mr. Knowles were adopted; in 1904 seven others he made were completely ignored. Among the seven in 1904 were several he had made in 1903, and in previous years. In 1903, in 1904, in 1905 referred to the storage tank and to a storage tank for gas oil. The holder is not yet ready. The expert said a few days ago that unless it was completed at once the city might find itself without lights in the middle of the winter. The prediction was not new. This is what Mr. Knowles said as far back as 1903:

"I respectfully renew my recommendation to which I have called your special attention in all of my annual reports, and upon which you have made a storage holder, which is now being come a matter of vital importance, and should receive our most careful and prompt consideration. The present storage holder at these works has been in constant use since 1872, and is in bad condition, with its riveted patches, both on its crown and sides, and should it unexpectedly collapse, it would be impossible to supply the city with gas in the months of heaviest consumption. I also desire to say that our storage capacity at this time is absolutely inadequate for our demands; in other words, our present output in twenty-four hours is double that of our storage capacity for the same length of time, which fact gives us little or no opportunity to shut down to make necessary repairs to the machinery, etc., contingent upon the continual use of same; thus you can readily see that the demand for this holder from a financial standpoint, as well as that of furnishing our citizens with gas, is of paramount importance, and is a matter of your most careful and anxious consideration."

"I must call your attention to the limited storage for gas oil, and would recommend that an additional storage tank of 140,000 gallons capacity be erected. This would enable us to have a supply on hand, so as to provide against delays and wreckage while in transit, and the said tank should be built at once."

**How They Came.**

It will be seen from this that Mr. Knowles was thoroughly alive to the needs of the situation. The site chosen for the holder is sharply criticized by Mr. Bruce, but Mr. Knowles presents a series of reasons for the selection, and these reasons found weight with several noted experts called in at the time from other cities to advise as to the proper location. The chief point, however, is that the holder is this day is incomplete.

A still more striking instance of municipal inaction can be given. The two reports of 1903 and 1904 are again taken. The recommendations made in them are substantially contained in the recommendations of the expert. Here they are and it may be seen at a glance how much attention they got:

1903.

Third—That the coal and water gas plants be separated, so that each gas can be metered separately, and mixed at the inlet of the purifying house.

Fourth—That you add to your water gas plant another eleven foot set of Standard Lowe apparatus, with all modern equipments.

Fifth—That you install new exhausters of 2,000 cubic feet capacity in place of your present ones, which are taxed to their utmost to take care of the output in the days of heavy consumption.

Sixth—That you put in by-pass connections from the inlet to outlet connections of your gas holder at lower works, so that, in case of an accident, the gas can be passed on the city.

Seventh—That the coal gas plant be remodelled, with the most improved benches, either full depth recuperative benches of 9's or the latest improved benches of slopers, capable of producing 2,000,000 cubic feet per day.

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It is more than likely that the same recommendations will be included in the Knowles report for 1905, since those made in 1904 secured no greater consideration than did those of 1903.

**Its Earning Capacity.**

Instances of this sort might be multiplied, but those cited are sufficient to indicate how things have gone in the past. It is a fact that a report of 1896, ten years before Mr. Knowles took hold at the works, recommended one of the very things the expert now declares to be necessary. A larger question now agitates the minds of many, particularly in view of the present movement for municipal ownership of an electric lighting plant, is the significance of the conditions alleged. Does it signify the failure of municipal ownership? The cases are not parallel. Municipal ownership of an electric lighting plant is opposed on the ground that its cost would be to drive away the Goulds and their investments, which will bring benefits more than the city could possibly gain from an electric plant. It is different with the gas works, and many men who insist on a new light movement would oppose the sale of the gas plant. The city has a monopoly here and would estrange no business interest by continued operation. It is simply a question, say they, of a new, broader, more liberal system, under which the works could be developed. They are already paying handsomely, and with proper care they could be made to pay much more, and at the same time to secure the people the best satisfaction, which is far from being the case now.

In 1901, just before the term of Mr. Knowles began, the net receipts of the works for a year was \$20,675.50, and the city treasury the sum of \$1,174,856.29 over and above the amount drawn out for cost of running the works and producing the gas.

"This amount exceeds the total of the construction and extension accounts for thirty years by \$27,283.57, and, deducting the cost of the plant, etc., previous to 1897, say \$391,577.26, the works, estimated back to the city its entire outlay for grounds, buildings, plant, pipe and all other appurtenances, has a surplus to its credit of \$135,006.31. This surplus must be still further increased by difference between the value of gas furnished the city for public consumption and the interest allowed the city on the cost of the works, etc., say \$356,074.23, making total surplus of \$491,080.54, after repaying the city for its investment."

"Actual Results.—The city owns its gas works, with entire outfit, without cost, and has received a bonus of \$498,004.44."

"The interest allowed the city in statement was at the rate of six per cent. per annum to 1891, and at four per cent. thereafter, and interest was allowed during the entire time on actual cost, without deduction, which the people of Richmond are to pay for their annual repayments on investments. The net revenue up to 1896 more than reimbursed the city for its entire outlay; therefore, a proper calculation of interest would more than double the surplus of \$498,004.44."

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Total receipts for 1904, \$319,304.22 Less expenditures and \$40,000 interest, \$234,804.22 84,440.00

Total profits up to January 1, 1905, \$330,055.90

**What Mr. Morton Says.**

When seen a few days ago Mr. W. W. Morton declined to indicate the attitude of the committee on investigation, of which he is chairman. The committee, he declared, is now engaged in preparing its report which will effectively set forth its views. Mr. Morton refused in any way to say what this report would recommend. He was asked if it would call for the sale of the works or the continued operation of it by the city under a new system, but only stated in reply that the committee would speak for itself at the proper time. He was shown the card of Mr. Knowles attacking Mr. Bruce.

"I cannot say this time, because the statements of Mr. Knowles," said Mr. Morton, "the report of the committee will deal with this entire matter. I would like to say, however, that Mr. Bruce has recognized authority and an expert of high standing. We have several names under consideration and when we showed the list to several, including Mr. Alton Miller, general manager of the Consolidated Gas Company of Baltimore, the gas was not only not relying on Mr. Bruce. The committee is trying to consider all sides and is consulting every source at its command. We have completed a portion of our report and our action thereon has been unanimous upon every point considered. The report will probably be complete before the December session of the Council and a special meeting will be called. What this report will be you will have to wait and see. I am sure that if I wanted to because I don't know myself yet what it will be."

Mr. Bruce came to the committee with references from William H. Bradley, president of the Chesapeake and Potomac Telephone Company of New York; Alton Miller, general manager of the Consolidated Gas Company of Baltimore; A. G. Glasgow, of Minneapolis and Glasgow, of New York City; George J. Roberts, of Baltimore; and W. C. Clyde, of Philadelphia, and W. C.



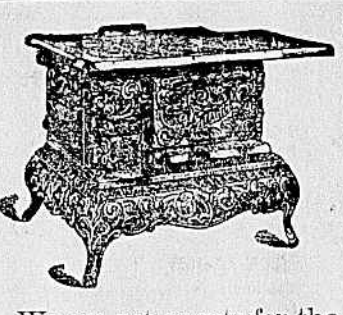
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We are not agents for the Comet, but we sell them for less than any other store.

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## ROTHERT'S

4th and Broad Streets

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Total receipts for 1901, \$238,580.80 Less expenditures and \$40,000 interest, \$186,993.51 51,587.38

Total receipts for 1902, \$252,372.70 Less expenditures and \$40,000 interest, \$200,319.88 52,052.82

Total receipts for 1903, \$296,275.75 Less expenditures and \$40,000 interest, \$218,192.10 78,083.65

Total receipts for 1904, \$319,304.22 Less expenditures and \$40,000 interest, \$234,804.22 84,440.00

Total profits up to January 1, 1905, \$330,055.90

Excess of receipts over disbursements, \$1,174,856.29 Public consumption, \$1,501,913.53 Less interest on cost of works, etc., \$1,143,839.70 368,074.23

Amount works entitled to credit for, \$1,532,929.52 Construction, \$498,004.44 Extension, \$183,710.94 647,571.72

Net revenue for thirty years: \$885,357.50 Less cost of work, etc., February 1, 1870, as per report of City Auditor W. H. Alderice, \$48,026.51 Less construction account for 1897, 1898 and 1899, \$16,449.25 391,271.26

Surplus after paying investment, \$491,080.54 Total receipts for 1896, \$200,346.50 Less expenditures and \$40,000 interest, \$158,373.07 41,972.93

Total receipts for 1895, \$205,094.33 Less expenditures and \$40,000 interest, \$158,953.15 46,101.18

Total receipts for 1894, \$219,303.02 Less expenditures and \$40,000 interest, \$177,404.21 41,898.81

Total receipts for 1903, \$231,554.86 Less expenditures and \$40,000 interest, \$191,568.03 39,986.18

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Total profits up to January 1, 1905, \$330,055.90

**What Mr. Morton Says.**

When seen a few days ago Mr. W. W. Morton declined to indicate the attitude of the committee on investigation, of which he is chairman. The committee, he declared, is now engaged in preparing its report which will effectively set forth its views. Mr. Morton refused in any way to say what this report would recommend. He was asked if it would call for the sale of the works or the continued operation of it by the city under a new system, but only stated in reply that the committee would speak for itself at the proper time. He was shown the card of Mr. Knowles attacking Mr. Bruce.

"I cannot say this time, because the statements of Mr. Knowles," said Mr. Morton, "the report of the committee will deal with this entire matter. I would like to say, however, that Mr. Bruce has recognized authority and an expert of high standing. We have several names under consideration and when we showed the list to several, including Mr. Alton Miller, general manager of the Consolidated Gas Company of Baltimore, the gas was not only not relying on Mr. Bruce. The committee is trying to consider all sides and is consulting every source at its command. We have completed a portion of our report and our action thereon has been unanimous upon every point considered. The report will probably be complete before the December session of the Council and a special meeting will be called. What this report will be you will have to wait and see. I am sure that if I wanted to because I don't know myself yet what it will be."

Mr. Bruce came to the committee with references from William H. Bradley, president of the Chesapeake and Potomac Telephone Company of New York; Alton Miller, general manager of the Consolidated Gas Company of Baltimore; A. G. Glasgow, of Minneapolis and Glasgow, of New York City; George J. Roberts, of Baltimore; and W. C. Clyde, of Philadelphia, and W. C.

# A Day of Special Bargains

Will be Inaugurated Tomorrow at

## W.A. CHEATWOOD

1509-11-13 E. MAIN ST.

Every department in the big store has been called upon to swell the list of specials which continue on sale to-morrow, from our Special Fall Low-Pricing Sale, which begun on Saturday.

Every article has received its share of price-cutting. The magnificent and complete stock of Dry Goods, Notions, Millinery, Wraps and Shoes is offered to our customers with our assurance that the prices are considerably lower than can be obtained elsewhere for the same grade of goods.